

Amendment No. 1 to HB2038

**Wirgau
Signature of Sponsor**

AMEND Senate Bill No. 2076

House Bill No. 2038*

by deleting all language after the caption and substituting instead the following:

WHEREAS, no ad valorem property tax may be imposed in this state on articles manufactured from the produce of this state under the Constitution of Tennessee, Article II, § 30; and

WHEREAS, the General Assembly finds that a barrel comprised of the timber of this state that is used to age whiskey is, when so used and as a result of such use, a manufactured article within the meaning and intent of the Constitution of Tennessee, Article II, § 30; and

WHEREAS, no ad valorem property tax may be imposed in this state on articles manufactured from the produce of other states under the Commerce Clause of the United States Constitution, Article I, § 8; and

WHEREAS, any law, policy, practice, or procedure that imposes property tax in this state on any such articles is unconstitutional and void; and

WHEREAS, the General Assembly intends to avoid any confusion regarding the constitutional protections afforded to such products; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-5-216, is amended by adding the following as a new subsection (c):

(c)

(1) Consistent with subsection (a) and the Constitution of Tennessee, Article II, § 30, all barrels comprised of the timber of this state, or any other state of the union, that are used to age whiskey shall be exempt from ad valorem

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taxation under this chapter during the time in which the barrels are so used and owned by a person that produces or manufactures whiskey in such barrels.

(2) For purposes of this subsection (c), "whiskey" has the same meaning as the term "whisky" as defined in 27 CFR 5.22(b) and includes all products identified as "whisky" in 27 CFR 5.22(b).

SECTION 2. Any action or proceeding to correct an assessment or request a refund or other relief on the basis of this act shall be subject to the applicable statutes of limitations, which are in no way altered or amended by this act.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it, and shall apply retroactively to all periods prior to such date.